

**FY2013 Choice Neighborhoods Planning Grants NOFA
Questions and Answers**

- 1. The NOFA states that funding is subject to Congressional appropriations. Do you now have funding in place? What is the total amount of grant funding available for FY2013 Planning Grants?**

Yes, with the passage of the Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6, approved March 26, 2013), a total of approximately \$133.7 million was appropriated for the Choice Neighborhoods program in FY2013. Of that amount, HUD is allocating approximately \$4 million to make Planning Grant awards. With an individual grant maximum of up to \$500,000, we expect to make 8-9 Planning Grant awards.

- 2. We are a local council of governments. Does that qualify as a “local government” and thus we are an eligible applicant under this NOFA?**

It depends on authority provided to the council in its charter from the state. This NOFA defines “local government” to have the same meaning as “unit of general government” from section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302). Consistent with HUD’s interpretation in other programs that use this same definition, to be considered a unit of general local government the entity should possess the powers of a unit of general local government such as the power to tax. Potential applicants should consider whether they are deemed “unit of general government” for other HUD programs that use the same definition (e.g. the Community Development Block Grant program).

- 3. Are Co-applicants also required to have a Dun and Bradstreet Universal Numbering System (DUNS) Number and active registration in the SAM.gov? Or is that threshold requirement only for Lead Applicants?**

Yes, Co-Applicants are required to have a DUNS Number and active registration in the SAM.gov. As stated at the beginning of section III.C.2 (page 20) of the NOFA, “All Lead Applicants and Co-Applicants and applications must meet all threshold requirements of this NOFA in order to be rated and ranked.” Further, in section III.C.2.b.8 (page 25), applicants are instructed to provide the DUNS Number for the Co-Applicant in the narrative Exhibit B. HUD will then also use the DUNS Number to check for active registration in the SAM.gov.

- 4. What is considered a neighborhood? How big of an area can it be? How close in proximity must a “community” or “neighborhood” be to the perspective HUD-funded property/s that qualify the area for the grant?**

The intention of Choice Neighborhoods grants is to provide funding for a single neighborhood. Please refer to the definition of “Neighborhood” included in section I.C of the NOFA, in particular the requirement that applicants must identify boundaries for the target neighborhood that are commonly understood by the community as a neighborhood. Please note that the target housing project must be located within the target neighborhood.

5. If a jurisdiction already has a neighborhood improvement plan, does it still need to apply for a Planning Grant or can it apply directly for an Implementation Grant?

Planning Grants are not required before receiving an Implementation Grant. Planning grants are meant to assist applicants that do not yet have the capacity to carry out a successful transformation project. If applicants have a plan in place or the planning process is well underway, they should considering applying for an Implementation Grant.

6. Do the partners or co-applicants need to be competitively procured prior to submitting the application?

Refer to section III.C.3.o of the NOFA (page 31) for details on the applicability of the procurement regulations in assembling a team for a Choice Neighborhoods application. While partners/co-applicants do not need to be procured for the purposes of assembling the team prior to submitting the application, the procurement regulations (in either 24 CFR part 84 or 24 CFR part 85, depending on which type of applicant you are) do apply to any goods or services that will purchased using Choice Neighborhoods grant funding, including payments using Choice Neighborhoods grant funds to a partner organization.

7. Can we have a team of consultants serve as our Planning Coordinator?

No, in accordance with definition stated in the NOFA, the Planning Coordinator must be a single person or entity. If your application identifies a collaborative venture as the Planning Coordinator, HUD may not be able to rate the capacity rating factors. However, there is no limit to the number of partners you may assemble to contribute to the plan.

8. Are in-kind commitments are counted toward the leverage rating in this NOFA?

No, this NOFA does not provide for in-kind commitments to be counted as leverage as have been defined in prior years' NOFAs. Instead, in addition to cash leverage commitments, HUD will consider "supporting commitments" as one type of leverage, as described on page 50 of the NOFA.

9. Is there a definition of a cash commitment vs. a "supporting commitment"?

Under this NOFA, HUD will generally consider funding that is provided directly to the Lead Applicant for planning activities proposed in this grant application as "cash" leverage, provided the other requirements stated in the NOFA are met (e.g. on pages 49-50). Supporting commitments, as defined in the NOFA, relate to funding your partners have available for their use to carryout activities that directly support the proposed planning process.

10. Can you please confirm that an applicant in a metro area that is targeting only HUD-assisted housing can provide a 50% leveraged commitment and receive the full 4 points available under this rating factor?

Yes, that is correct. If the application targets both a public housing project and a HUD-assisted multifamily building, then the other standard for awarding points under this rating factor applies.

11. We understand that a 5% match is a threshold requirement for a CN Planning Grant Application. We also understand that an applicant can receive up to five points in the application rating factors for leverage. Is the 5% match also considered leverage?

First, let us clarify the match requirement: the statutory requirement [section 24(c)(1)(A) of the 1937 Act (42 U.S.C. 1437v(c)(1)(A))] is that by the end of the grant term, the grantee will have secured a match of at least 5%. As a threshold requirement in this NOFA, the applicant certifies [as part of the form provided under the “Application Certifications and Assurances” threshold in section III.C.2.a(2)] it will meet this requirement. It is not a threshold requirement that match be in place at the time of the grant application. The leverage rating factor is meant to reward applicants that have secured funding at the time of the application and will be available for the term of the grant. Generally, funding considered in the leverage rating factor can also be considered as match.

12. In anticipation of the release of the 2013 NOFA, our agency preemptively launched a planning process to develop a master plan for the site that would be under consideration for a Choice Neighborhoods Planning Grant. We have secured the assistance of a planning coordinator and are in the beginning stages of the planning process. Can funds that we have already spent to support this master planning effort already underway count as leverage in our grant application?

No, the NOFA states in section V.A.5.a(2) (page 49 of the NOFA) that “Leverage documents must represent valid and accurate commitments of **future** support.” (emphasis added). Further, in the introductory language to section V.A.5, the NOFA states that the leverage rating factor evaluates the extent to which “you demonstrate that you have secured financial and/or supporting commitments from other sources to implement the planning process **proposed** in this application” (emphasis added).

13. On the Choice Neighborhoods website, there is a budget form for the Planning Grantees to use (HUD-53421). Is it necessary to submit this budget form in our grant application or can we submit our own budget spreadsheet?

The NOFA does not require use of the Choice Neighborhoods Planning Grant Budget form (HUD-53421). Applicants should submit a Sources and Uses document in the format the meets the requirements identified in the NOFA.

14. For the Evidence of Local Support letter required in rating factor V.A.4.c, would the mayor be considered a “chief executive officer”?

Yes, in many cities the “chief executive officer” is the mayor. HUD recognizes that there are different organization structures (e.g. in some cities it could be a City Manager) and thus chose to use a less-specific term in the NOFA.

15. The NOFA requires (on page 46) applicants to “describe a concrete improvement project community members and/or stakeholders will complete in the neighborhood during the grant term.” Can the grant funds be used to fund this project?

Generally, Choice Neighborhoods Planning Grant funds cannot be used for this type of activity as they can only be used for planning activities. Please refer to section III.C.1 for detailed information about eligible and ineligible uses of these grant funds.

16. Regarding the TDC limits used in the Need rating factor, the NOFA says HUD will use the most recent limits, but mentions the limits that were posted in November 2011. The most recent TDC limits were posted on June 18, 2012. Which version will you use for applications under this NOFA?

The TDC limits posted on June 18, 2012 are the ones that were in effect at the time the Planning Grants NOFA was published – so those are the limits that HUD will use.

17. When calculating the Part I violent crime rate, is there a standard population year that should be used? Should we use the 2010 Census population to determine the rate for all three years’ worth of data?

Yes, it is acceptable to use the 2010 Census population data for all three years’ worth of data. It is also acceptable to use each year’s actual population if that is known for the police service area and the city/county/parish (or state, if the application is targeting a neighborhood in a non-metropolitan area).

18. With regard to the criteria for crime data used in the Eligible Neighborhoods threshold and one of the Need rating factors, we have a question regarding the Police Service Area (PSA). According to the NOFA, we should submit data for the Part I Violent Crime Rate in the precinct/PSA in which the target housing is located. In our city, the police jurisdictions are by District, with a smaller community policing beat jurisdiction. There are no precincts. Can we use the community policing beat jurisdiction as an acceptable PSA for the Planning Grant application?

Yes, a police ‘beat’ does constitute a PSA, as does a police district, zone, and sector.

- 19. Our tribe would like to submit an application targeting housing that was built by the Bureau of Indian Affairs' Housing Improvement program. For Tribes to meet the target housing threshold it sounds like the houses needed to be built by HUD or the Indian program for NAHASDA. Would this type of housing meet the "Eligible Target Housing" threshold?**

Regarding Indian housing, the NOFA does not require that the tribal entity used NAHASDA funding construct the units. It states that target units must be currently assisted with NAHASDA funding (e.g. operating subsidy and/or funding for capital improvements) in order to be eligible. And as also stated in the NOFA, the target housing must be a multifamily rental project and at least half of the units must be receiving the NAHASDA assistance. Please refer to section I.C.3 for the definition of "assisted housing."

- 20. With regard to the Resident and Neighborhood Needs Assessment discussed in the Plan rating factors, what types of "Administrative Data" are considered acceptable? This would help us determine whether the information we currently have is adequate or if we need to conduct a survey of the other residents in the neighborhood as referenced in the NOFA.**

HUD understands that it could be difficult to conduct a household-level survey of the entire neighborhood, thus Planning Grantees may use data that is already available about the neighborhood from other sources, such as the census [including the American Community Survey (ACS)], police reports, healthcare agencies/providers, school reports, research surveys, etc. to help identify assets and needs in devising the Transformation Plan.